Kennedy and Tunney Lead Kleindienst Fray

By Spencer Rich 6-2-72
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Sen. Edward M. Kennedy (D-Mass.) warned the Senate yesterday that if it confirms Richard G. Kleindienst as attorney general, it will simply be helping the Nixon administration "whitewash" gross irregularities in settlement of the International Telephone & Telegraph Corp. merger case.

Kennedy, joining John V. Tunney (D-Calif.) in leading the attack against Kleindienst in the second day of debate on the long-disputed nomination, said the Senate is being asked to "clear the nominee, his department and his administration of any wrongdoing. . .to place our own stamp of approval on the manner in which the ITT case was handled."

"Clearly, the President wants the Senate to relieve the administration of the embarrassment which the whole (ITT) matter has already caused," said Kennedy. "He wants the Senate's vote to provide a shield against the justified complaints of the American public that this administration cares much more about corporate profits, campaign contributions, and presidential friends than it cares about enforcing the law, pursuing the public interest and protecting the consumer."

Tunney and Kennedy focused on the 1971 ITT merger case, in which Richard W. McLaren, then the Justice Department antitrust cheif, reversed an earlier decision to go to court to force ITT to divest itself of the Hartford Insurance Co. under the antitrust laws, and agreed to a settlement allowing ITT to keep Hartford.

McLaren has testified he made the decision to settle on the basis of the best information available and without pressure from Kleindienst or any knowledge that ITT had offered a payment of between $200,000 and $400,000 to support the GOP National Convention then scheduled for San Diego but since switched to Miami Beach.

Yesterday, both Tunney and Kennedy blasted Kleindienst for initially saying he took no part in settlement of the case, when the facts later established that he had channeled an ITT spokesman to McLaren, had had direct contacts with another ITT spokesman, John Ryan, and had personally ordered the delay of a Supreme Court test of the ITT case at the request of Lawrence Walsh, a former deputy attorney general acting for ITT.

Both senators also said there still was no adequate explanation of the memorandum reportedly written by ITT lobbyist Dita Bears, since repudiated by Mrs. Beard, implying a link between ITT's convention contribution offer and the final out-of-court settlement of the ITT case.

And Tunney pictured White House aide Peter Flanigan as a shill for big business who passed the word to the Justice Department to take a favorable view of ITT's plea for a settlement, and who channeled a report favorable to the settlement from business analyst Richard Ramsden, a former white House fellow, to McLaren and Kleindienst.

"One thing we do know," declared Tunney. "Peter Flanigan carries the mail for big business in Washington. He knows it and so does Richard Kleindienst. And it wouldn't take more than a wink between them to nail down a deal."

Kennedy said that while the administration was asking the Senate to clear the Justice Department of all wrong-doing in the ITT case by confirming Kleindienst, it was still denying senators access to Justice Department files and declining to allow full testimony by White House aides like Flanigan.

Despite the attacks by Kennedy, Tunney and Alan Cranston. Majority Leader Mike the administration has more than enough votes to win Senston (D-Calif.), it appears that ate approval of the nomina- Mansfield (D-Mont.) said he believes Kleindienst will be confirmed next week.